

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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Date: June 6, 2014

CAO File No. 0220-04851-0005

Council File No. 13-0046

Council District: All

To: The Mayor  
The Council

From: Miguel A. Santana, City Administrative Officer

Handwritten signature of Miguel A. Santana in black ink, with the word "FOR" written in capital letters to the right of the signature.

Reference: Transmittal from the City Clerk dated August 9, 2013

Subject: **DEVELOPMENT REFORM IMPLEMENTATION – STATUS REPORT ONE**

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### SUMMARY

On January 28, 2014, the Matrix Consulting Group (Matrix) delivered their analysis of the City's opportunities to improve development services functions. The Matrix report included 329 separate recommendations. On April 2, 2014, the Council adopted a Planning and Land Use Management (PLUM) Committee Report which approved these recommendations and identified additional tasks to be performed by Matrix. The Mayor and Council instructed our Office to: 1) amend the contract with Matrix to include additional tasks to monitor, 2) report back to the PLUM Committee on progress made by departments relative to all actions taken by the Council and the Mayor associated with the development services reform initiative, 3) allocate contingency monies, and 4) extend the length of contract accordingly. On June 3, 2014, our Office executed a supplemental agreement with Matrix to increase compensation by \$50,986 utilizing \$51,000 in contingency monies our Office received as part of the 2013-14 Adopted Budget to manage the Matrix contract and extend the term to September 15, 2014.

This report includes recommendations necessary to implement actions taken by the City since the adoption of the Fiscal Year 2014-15 Budget.

### MATTERS REQUIRING CURRENT YEAR FUNDING

On May 29, 2014, the Municipal Facilities Committee approved a request from the Department of Building and Safety (DBS) for reassignment of space from the Department of Public Works, Bureau of Engineering (BOE) to the DBS on the 7th floor of Figueroa Plaza located at 201 N. Figueroa Street to accommodate the expansion of the DBS Data Center. DBS has experienced downtime with their existing computer servers resulting in decreased customer service, delayed revenue collection, and slower project cycle times. The expanded Data Center will provide an effective infrastructure and help the Department better predict and manage its systems through simpler operating environments and better information management. Over time, this will translate into decreased costs, as well as, better efficiency for the information technology environment. A recommendation is included in this report to appropriate funding to effectuate the expansion of the Data Center.

On June 2, 2014, the Mayor and Council approved a budget resolution prepared by the City Administrative Officer (CAO) and the Chief Legislative Analyst (CLA), with the assistance of the City Attorney, for the purpose of adopting a budget for the City of Los Angeles for Fiscal Year 2014-2015, beginning July 1, 2014. The Adopted Budget authorized the Department of City Planning (DCP) to re-appropriate current year contractual services funding for a consultant to support the DCP in establishing a City-wide Sign Unit. To ensure that sufficient funding is available in the Department's contractual services account at year-end it is necessary to transfer surplus in the Department's Salaries, General account into their Contractual Services account.

## **RECOMMENDATIONS**

That the Mayor and Council:

1. Authorize the Controller to transfer \$4,000,000 from Account No. 08K200, Reserve for Unanticipated Costs, to Account No. 08K601, Building & Safety Expense & Equipment, within the Building & Safety Building Permit Enterprise Fund No. 48R/08 for the construction and installation of an expanded data center;
2. Authorize the Controller to transfer \$500,000 from Account No. 001010, Salaries General, to Account No. 003040, Contractual Services, within the General Fund No. 100/68 for the consulting services for the City-wide Sign Unit; and
3. Authorize the General Managers of DCP and/or DBS, or their designees, to prepare Controller instructions and/or make any necessary technical adjustments consistent with the Council action on this matter, subject to approval of the City Administrative Officer, and authorize the Controller to implement those instructions.

## **FISCAL IMPACT STATEMENT**

There will be no additional impact to the General Fund. The monies identified for transfer from the Salaries General account to the Contractual Services account are funded in the Department of City Planning's 2013-14 Adopted Budget. There will be a \$4,000,000 impact the Building and Safety Building Permit Enterprise Fund associated with the work necessary to expand the Department's Data Center and relocate Department of Public Works, Bureau of Engineering staff to another floor within Figueroa Plaza. These actions are in compliance with the City's Financial Policies in that special purpose funds are available to support the special purpose activities.

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